

## Press Release

Cairo, **November 26, 2022**  
**November 24, 2022**

### Signature of a 95M EUR loan for the financing of Egypt's rail modernization efforts

#### Upgrade of Tanta - El Mansoura – Damietta Rail Line project

#### Illustrating France-Egypt's Climate Cooperation in the Transport Sector

Agence Française de Développement (AFD) and the Government of Egypt, represented by the Egyptian National Railways (ENR), signed on Wednesday, 23<sup>rd</sup> of November 2022, the implementation financing agreement for the upgrade of the Tanta – El Mansoura – Damietta Rail Line Project in the presence of HE Mr. Marc Baréty, French Ambassador to Egypt, Eng. Mohamed Amer, Chairman of the Egyptian National Railways, and Mrs. Clémence Vidal De La Blache AFD Country Director in Egypt.

With a total loan amount of EUR 95 Million from AFD, the modernization of this critical rail link between the cities of Tanta, El Mansoura (center of the Delta) and Damietta (Mediterranean port city) contributes to the Egyptian authorities' vision to improve the reliability and safety of passenger transport on one hand, and to increase the capacity of transporting goods, including wheat and other food products, from/to the port of Damietta. This project also has a positive impact on climate, reducing the rail sector's annual GHG emissions and therefore contributing to Egypt's climate commitments.

The project, the first collaboration between AFD and ENR, involves doubling the track between El Mansoura and Damietta over 64 km, and upgrading the signaling from Tanta to Damietta for a total distance of 119 km. The signaling modernization includes the installation of signal lights, electronic interlocking, a centralized control center and an automatic train protection system.

The project is co-financed with the European Investment Bank (EIB).

During the signing ceremony of the Agreement at ENR Headquarters, H.E. Mr. Marc Baréty, the Ambassador of France to Egypt has praised the Project stating that *"We praise the fact that the Project will significantly improve the level of service offered to passengers: travel time, reliability, frequency and above all safety for a wide range of affected people, an estimated 4,200,000 person will have improved access to sustainable transport"*.

AFD Country Director for Egypt, Ms. Clémence, has indicated that *“This operation confirms our commitment to playing a leading role in supporting the development of Egypt’s transportation sector. To date, the total loan amount allocated by AFD to urban transport exceeds EUR 700 Million, with a direct contribution to major infrastructure projects such as Cairo Metro line 3, Cairo Metro Line 1 rehabilitation, the Abu Qir Metro, the Alexandria Raml Tram. Building on this first cooperation in the rail sector, we look forward to working with ENR on other flagship projects in the future. Finally, our “finance+ approach”, blending technical assistance and capacity building programs with the infrastructure loans, allows us to contribute to mainstreaming sustainable development goals into transport planning and financing”.*

During the meeting, the ENR Chairman Engineer Mohamed Amer reviewed the history of joint cooperation between the authority and the French side, and then touched on the project to develop the Tanta / Mansoura / Damietta line, which is *“the first cooperation between the ENR and the AFD as a major financial partner, looking forward to this as the beginning of a fruitful future cooperation between both parties”.*

**Press Contact:**    Nevine Greiss    –    Email: